PROFILE OF
HANDLOOM INDUSTRY
CHAPTER III
PROFILE OF HANDLOOM INDUSTRY

The importance of handloom industry in Tamil Nadu and Karur Taluk, the study area is discussed in this Chapter in two sections. It provides the back drop for the analysis later.

In Tamil Nadu:

Handloom Industry in Tamil Nadu is as old as the Sangam age. This ancient industry of weaving is also referred to the Veda and Upanishads.1 The Handloom weaving is the traditional and hereditary occupation of certain communities in Tamil Nadu. Among them the most important communities are Karikolars, Sowrashtrians and Devangers. Other communities engaged in the industry are Chettiars, Naidu's, Seniars, Udayars, Saliers, Sadars and Sengunthars.2

The Handloom industry of Tamil Nadu had its hay day to the advent of the British in India. It had captured foreign markets. The development of this industry was disrupted due to the drain of raw materials to sustain the Industrial Revolution in England. Other factors which stood in the way of development:

of this industry in Tamil Nadu are the opening of the Suez Canal, the advent of mill industries in different countries, the cut-throat competition from China, United Kingdom and Japan, the two world wars, the Partition of India, and the shift in dress habits owing to the impact of Western culture. The Swadeshi Movement served as the saviour of the handloom sector. People began to burn foreign goods and persuaded countrymen to use Indian-made goods. Gradually the demand for cotton cloth scaled up.

During the post-Independence period the handloom industry once again got an impetus as the government took special remedial measures by giving subsidies to the handloom factories and levying cess on mills. At the same time a host of Committees at the Central level such as the Kanungo, Karve, Ashok Mehta and the Sivaraman Committee had been set up to study the handloom sector's problems positively and suggest measures to eradicate them. Various commissions and corporations at the central and State levels were established on the recommendations of these committees. At the State level many departments such as the Directory of Handlooms and Textiles, Tamil Nadu Development of Handlooms Corporations, Co-optex, Handloom Weavers' Service Centre, All India Institute of Handloom Technology, Salem were established.
Soon after Independence the Government put a ceiling on the additional looms installed by the mills. Rajaji supported the handlooms and wanted the ban on mill-looms to continue. He also pleaded for the reservation of all sarees and dhotis for handlooms.\(^3\)

Another measure adopted by the government was to protect handlooms and see that mills produce adequate yarn suitable for handlooms. An excise duty was imposed on mill cloths and the amount collected was used to subsidise handloom fabrics. A cess was levied on mill-cloth in 1953 for the promotion of Khadi and Village Industries.\(^4\)

Again, the industry suffered from a severe slump during 1949-52 and the government of Madras sanctioned schemes to provide jobs to weavers who were unemployed. They joined the weavers' Co-operative societies and got employed. But, because of lack of sufficient finance, the industry was lagging behind in development. Hence, the government of India constituted the 'Cess Fund' in 1953 by


pooling the collections from the cess levied on mill cloth. Since then the handloom industry had shown progress.\(^5\) This had a good impact on the handloom industry of Tamil Nadu. The weavers' Co-operative movement was expanded. The living condition of the weavers improved and the weavers were able to receive quality yarn at reasonable prices.

**Importance:**

Already by late 1970's the handloom industry in Tamil Nadu provided employment to nearly 10 lakh weavers and livelihood to 30 lakh persons. It constituted roughly six percent of the total working population. Besides direct employment to weavers, this industry generated indirect employment to loom-manufacturers, dyers, twisters, warpers, sizers, processors, printers, etc., apart from those engaged in spinning mills. Handloom in Tamil Nadu produced 600 million metres of cloth valued at ₹1.150 crores; out of 2,300 million metres produced in the country. Total production of handlooms was nearly four times that of the

\(^5\) C. Arputharaj, *Op., Cit.* P.311.
Several factors contributed for its growth in Tamil Nadu. Important among them are large production of Cotton, regular supply of yarn, special crafts, support of well-developed dyeing industry and care of the State Government.

Though the industry flourished, a major reason for the decline of total number of handlooms in the state in general and co-operatives in particular, is the encroachment and infringement by the powerlooms.

Structure:

The Handloom industry in Tamil Nadu has distinct divisions viz., organised and unorganised sectors. The organised sector represents the weavers co-operative societies, while the unorganised sector consists of independent weavers, master weavers, and handloom factories which are partnership firms maintaining separate brand names. In the unorganised sector, majority of weavers are working under master weavers. The following table shows the present position of the classification of weavers.

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TABLE 4

DISTRIBUTION OF HANDLOOM WEavers AMONG FOUR CATEGORIES

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Categories of Weavers</th>
<th>September 1988 (%)</th>
<th>March 1989 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Working independently</td>
<td>18.51</td>
<td>18.57</td>
</tr>
<tr>
<td>2.</td>
<td>Working for Master Weavers</td>
<td>30.27</td>
<td>30.19</td>
</tr>
<tr>
<td>3.</td>
<td>Working under Co-operatives</td>
<td>47.85</td>
<td>48.18</td>
</tr>
<tr>
<td>4.</td>
<td>Working in factories</td>
<td>03.37</td>
<td>03.46</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100.00</td>
<td>100.00</td>
</tr>
</tbody>
</table>


The above table shows the percentage of weavers in the four categories of weavers. The Co-operative Weavers form the maximum of 48.18 percent while those in factories constitute 03.46 percent. Independent Weavers are 18.5 percent while those who are working for Master Weavers account for 30.19 percent.
The weavers working under the master weavers also possess one or two looms. They get the yarn from the Master weavers and weave the fabrics according to their dictation. They are paid wages which will be higher than those who work in factories as coolies. Weavers working in handloom factories work from dawn to dusk and get poor wages. The weavers under master weavers are more independent than those working in factories. They can weave according to their convenience, daily or weekly along with their family members mostly their wife, but they have to finish the work within the stipulated time. But the weavers working in factories need not invest any capital.

Types of Shuttles in Use:

There are three types of shuttles in use in handloom industry in Tamil Nadu. The survey conducted by the Department of Statistics reveals that major portion of the looms in the districts of Madras, Chengai-Anna, Coimbatore, Thanjavur, Madurai, Dindigul, Quaid-e-Millath and Tirunelveli, Kattabomman are 'fly shuttle' looms while those in Periyar, Ramanathapuram, Salem and Dharmapuri are 'Throw shuttle' looms. In the remaining districts both types of looms are
popular. Others use semi-automatic fly looms. The percentage of various types of looms to the total looms in the selected focal centres (129 centres covering 33,000 looms) is presented in the following table.

TABLE 5

TYPES OF SHUTTLES USED IN HANDLOOMS OF TAMIL NADU

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Types of looms</th>
<th>1988 - 1989 (Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Fly shuttle</td>
<td>54.34</td>
</tr>
<tr>
<td>2.</td>
<td>Throw shuttle</td>
<td>41.85</td>
</tr>
<tr>
<td>3.</td>
<td>Semi Automatic</td>
<td>00.85</td>
</tr>
<tr>
<td>4.</td>
<td>Others</td>
<td>02.96</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100.00</td>
</tr>
</tbody>
</table>


It might be seen that fly shuttle and throw shuttle are the most commonly used by the weavers. Eventhough automatic fly shuttle would be more efficient, the poor weavers were not able to make investment required for necessary change in the looms; nor do they have any experience in using it.
Types of Looms:

Handlooms are classified by the structure-in-type of its construction and operation of looms. There are four types in use. They are (i) pit looms, (ii) frame looms, (iii) Semi automatic pedal looms and (iv) others. Distribution of handlooms in Tamil Nadu among these four types is shown in Table 6 below.

TABLE 6

TYPE OF LOOMS IN HANDLOOMS OF TAMIL NADU

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Kinds of Looms</th>
<th>Total No. of Looms</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Pit looms</td>
<td>3,31,000</td>
<td>77.35</td>
</tr>
<tr>
<td>2.</td>
<td>Frame Looms</td>
<td>95,000</td>
<td>22.21</td>
</tr>
<tr>
<td>3.</td>
<td>Semi Automatic Pedal looms</td>
<td>1,000</td>
<td>0.23</td>
</tr>
<tr>
<td>4.</td>
<td>Other looms</td>
<td>900</td>
<td>0.21</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>4,27,900</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Pit looms are most commonly used, accounting for nearly 77 percent of all handlooms in Tamil Nadu. Frame looms are also in use but they account for 22.21 percent of the handlooms only. Semi automatic pedal looms and other looms are few, accounting for less than 0.25 percent of handlooms in the state. The relative types of looms is an important variable in policy decisions to help handloom weavers.

Type of Yarn Used:

Among handlooms, those using cotton yarn account for 67.53 percent of all looms in Tamil Nadu. It is followed by handlooms weaving silk cloths (13.64 percent) and others using polyester and viscose filaments (12.63 percent. It is a sad comment on the progress of handloom industry, that 6.20 percent of the handlooms in state remain idle in spite of various efforts by the government. Looms are also distinguished by the type of yarns used such as cotton, silk or others such as polyester cotton blends or viscose. The distribution of handlooms in Tamil Nadu by the type of yarn used and among the districts of the state are presented in Table 7; P. [f].
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the Districts</th>
<th>Active Looms</th>
<th></th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Cotton</td>
<td>Silk</td>
<td>Others</td>
<td>Cotton</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Madras-Chengleput</td>
<td>34,746</td>
<td>10,014</td>
<td>0,801</td>
<td>2,404</td>
<td>47,965</td>
</tr>
<tr>
<td>2.</td>
<td>North Arcot</td>
<td>24,655</td>
<td>13,530</td>
<td>0,052</td>
<td>1,629</td>
<td>39,866</td>
</tr>
<tr>
<td>3.</td>
<td>South Arcot</td>
<td>22,878</td>
<td>466</td>
<td>290</td>
<td>1,674</td>
<td>25,500</td>
</tr>
<tr>
<td>4.</td>
<td>Coimbatore</td>
<td>17,470</td>
<td>0,550</td>
<td>5,230</td>
<td>1,093</td>
<td>24,343</td>
</tr>
<tr>
<td>5.</td>
<td>Periyar</td>
<td>41,909</td>
<td>1,088</td>
<td>4,644</td>
<td>3,091</td>
<td>50,732</td>
</tr>
<tr>
<td>6.</td>
<td>Salem</td>
<td>47,372</td>
<td>15,531</td>
<td>7,642</td>
<td>5,549</td>
<td>76,094</td>
</tr>
<tr>
<td>7.</td>
<td>Dharmapuri</td>
<td>1,212</td>
<td>0,199</td>
<td>0,783</td>
<td>0,156</td>
<td>2,350</td>
</tr>
<tr>
<td>8.</td>
<td>Tiruchirapalli</td>
<td>28,496</td>
<td>1,690</td>
<td>0,757</td>
<td>2,831</td>
<td>32,974</td>
</tr>
<tr>
<td>9.</td>
<td>Pudukottai</td>
<td>0,663</td>
<td>0,051</td>
<td>-</td>
<td>0,203</td>
<td>0,917</td>
</tr>
<tr>
<td>10.</td>
<td>Thanjavur</td>
<td>0,879</td>
<td>14,949</td>
<td>0,040</td>
<td>0,111</td>
<td>15,979</td>
</tr>
<tr>
<td>11.</td>
<td>Madurai</td>
<td>14,954</td>
<td>0,018</td>
<td>11,808</td>
<td>1,690</td>
<td>28,470</td>
</tr>
<tr>
<td>12.</td>
<td>Anna</td>
<td>2,538</td>
<td>0,039</td>
<td>7,798</td>
<td>0,592</td>
<td>10,996</td>
</tr>
<tr>
<td>13.</td>
<td>P.Muthuramalingam</td>
<td>2,036</td>
<td>0,002</td>
<td>0,086</td>
<td>0,387</td>
<td>2,431</td>
</tr>
<tr>
<td>14.</td>
<td>Kamarajar</td>
<td>18,446</td>
<td>0,006</td>
<td>6,109</td>
<td>1,431</td>
<td>25,992</td>
</tr>
<tr>
<td>15.</td>
<td>Ramanadapuram</td>
<td>11,380</td>
<td>-</td>
<td>0,515</td>
<td>1,266</td>
<td>14,161</td>
</tr>
<tr>
<td>16.</td>
<td>Tirunelveli</td>
<td>14,195</td>
<td>0,002</td>
<td>2,105</td>
<td>1,151</td>
<td>17,453</td>
</tr>
<tr>
<td>17.</td>
<td>Chidambaranar</td>
<td>3,513</td>
<td>-</td>
<td>0,217</td>
<td>0,547</td>
<td>4,277</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>288,284</td>
<td>58,211</td>
<td>53,928</td>
<td>26,453</td>
<td>426,876</td>
</tr>
<tr>
<td></td>
<td><strong>Percentage</strong></td>
<td>67.53</td>
<td>13.64</td>
<td>12.63</td>
<td>6.20</td>
<td>100.00</td>
</tr>
</tbody>
</table>

**SOURCE:** Directorate of Handlooms and Textiles, Madras.  
The Government of Tamil Nadu set up units/undertakings in the co-operative sector to promote and develop handloom co-operatives, to supply inputs (raw materials) and to provide infra-structure facilities for the sustained growth of the handloom industry. Those units are co-optex, to provide marketing support to handloom co-operatives, the Tamil Nadu Handloom Finance and Trading Corporation to assist the weavers outside the co-operatives, co-operative spinning Mills to supply quality yarn at reasonable prices, Tamil Nadu Zari to supply Zari and co-operative processing unit to process exclusively handloom fabrics. These units also serve as institutions to implement various developmental schemes of the department.

Centres of Specialization:

The handloom industry of Tamil Nadu is mainly concentrated in Chengalpattu, Madurai, Salem, Coimbatore, and the Tiruchirapalli Districts. Salem, Kanchipuram in Chengalpattu district and Madurai are famous for their high class handloom sarees. Karur is known for its bedsheets and furnishing goods, while Uraiyur in Tiruchirapalli District is noted for its handloom sarees. Karur bedsheets are exported to foreign countries.
Tannahangarpet of Tiruchirapalli is specialising in the production of dhotis of all counts and sizes. Musiri and Manamedu also manufacture dhotis and towels. Besides these centres, handlooms are found in Jayankondam, Laligudi and Puvalur too. Kanchipuram silk sarees have a pride of place in the country and abroad.

Recent Support:

According to Cherunilam, within the decentralised sector the share of the handloom sector dominates over the powerloom. At the end of the Sixth Plan, the handlooms are expected to constitute about 55 percent and the powerlooms 45 percent of the total output of the decentralised sector. To achieve the envisaged production target, considerable addition to the capacity in terms of spindle (2.1 million) was needed. A series of disincentives have been proposed to prevent powerlooms from competing with handlooms, particularly, spinning mills were permitted only in no-industry districts. So, the present trend is to encourage the handloom sector, with adequate protection against keen competition of powerlooms and mills.

As Desai\(^8\) observes, there is a provision for technological and other inputs for improving the productivity and quality and finish of handloom products. The production of mixed and blended fabrics on handloom would be encouraged. There would be strict enforcement of the law, providing reservation of articles for production in the handloom sector. To make handloom cloth more competitive, the handicap of handlooms vis-a-vis powerlooms would be sought to be removed by suitable fiscal measures. A number of steps and schemes to improve the working conditions of handloom weavers have also been incorporated in the policy statement of 1985.

Promotional Efforts:

The handloom sector has been given very high importance in both National Textile Policy and Plan Documents. In accordance with the Textile Policy of June 85, the Co-operatives were encouraged to provide organisation infrastructure. The State Governments have been taking an abiding interest in promoting the handloom industry and the welfare of the weavers by implementing a number of programmes. They serve the following objectives:

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i. Provision of full-time employment and assured higher earnings for a substantially large number of handloom weavers by bringing them under the co-operatives.

ii. Diversification of the pattern of production of handlooms by introduction of new designs and new kinds of fabrics so as to improve the market acceptability of the handloom cloth to avoid stock stagnation.

iii. Stepping up of production and export of handloom goods to foreign countries with the ultimate objective of finding a steady export market for the goods produced by the weavers' co-operatives.

iv. Stepping up the production of Janatha Cloth (Cloths of standard quality at prices affordable to the poor) in order to make available cheap cloth to the poorer sections of the population.

v. Statutory protection to the handloom weavers in general in respect of minimum wages, service conditions and other facilities by implementing the recommendations of the Raja Subramanian Committee.9

Further, in order to improve the working condition of the handloom weavers and to provide direct benefit to them, the following schemes were planned:-

a) A contributory thrift-fund scheme to provide Assistance to the handloom weavers during times of need.

b) A workshed-cum housing scheme, to provide a better place for work and living to the handloom weavers.

c) The responsibility for the entire production of controlled cloth shall be transferred to the handloom sector by the end of the Eighth Plan.

Co-Optex:

The Tamil Nadu Handlooms Weavers' Co-operative Society (Co-Optex) procures and supplies raw materials to primary societies and also extends the entire marketing support they needed, through the 626 retail-selling points it had established. Procurement of handloom goods by co-optex from the primaries, during 1982-83, was valued at Seventy crores of rupees meant for up-grading technology in the handloom sector. There were five design-cum-service centres functioning under co-optex, the location being Madurai, Trichirapalli, Salem, Coimbatore and Kadayanallur in Tirunelvelli district.
Under the sixty percent Co-operative coverage scheme being implemented in the State, a number of new Weavers' Co-operative Societies are being organised in all the districts. The weak and dormant societies were also brought to life. At present (1993) the Co-Optex is handling 50 percent of the production of the primaries, and if it has to maintain the present level of procurement, it should be equipped adequately to handle handloom goods worth Rs.40 crores to Rs.45 crores per annum within the next five years. The marketing of handloom goods of such a magnitude against mill sectors will really be a challenging task. With this ultimate object in view, the Co-Optex is implementing a number of programmes to increase its sales turn-over substantially.

With a view to introduce new designs and modify the production pattern of handloom goods to satisfy the present taste of the people, the Co-Optex has opened one design-cum-service centre at Madurai, with a financial assistance of Rs. 3.50 Lakhs from the Government. During the Sixth Plan five more such design-cum-service centres were opened at a cost of Rs.17.50 lakhs. Two more centres were opened in 1979-80 in Salem and Coimbatore. Besides, the Co-Optex has introduced polyester printed shirtings, suitings, saris and other fabrics also.
About 15,000 handlooms have been engaged in Janatha varieties of handloom dhotis, sarees and lungies. A target of 20 million metres of Janatha cloth was fixed for 1979-80. The Co-optex has been sanctioned a financial assistance of Rs.11.53 lakhs by the Government for the setting up of Readymade Garments manufacturing units at Madras, Madurai and Tiruchirapalli with 120 sewing machines each at a total cost of Rs.17.73 lakhs. The Co-optex has set up a separate Export wing called Co-optex International and is gradually building up export sales. The exports to various countries like Australia, U.K., Germany etc., were being stepped up.

Further, the government have introduced the credit sales to the government servants and employees of the local bodies etc., through the Co-optex. Due to credit sales the demand for handlooms increased and the production of handloom cloth and handloom goods also increased considerably.

The procurement operations of the Co-optex have been streamlined with a view to lessen the stock accumulated in the primaries. The Co-optex will place definite orders to the primaries every quarter in advance and the primaries will be asked to produce and supply the goods to the co-optex to the extent of the orders. Payments will also be made without much inconvenience to the primary societies.
Finance and Trading Corporation:

The Tamil Nadu Handloom Finance and Trading Corporation was established in 1964 to provide financial assistance to the persons engaged in handlooms, powerlooms and ancillary industry outside the co-operative fold. The corporation has adopted the differential interest-rate scheme whereby loans up to Rs. 5,000 bear an interest of 12 percent and loans beyond Rs. 5,000 bear an interest of 13½ percent.

The Government have set up four intensive handloom Development projects and two export production projects in the state with financial assistance from the Government of India. These projects have been started as per the recommendations of the Sivaraman Committee on handloom to provide all facilities to the weavers for the supply of yarn, pre-loom and post-loom facilities, credit marketing facilities through a single organisation. The government also provides assistance to the Co-operatives with subsidies and rebates.

Share Capital Assistance:

The aim of this scheme is to bring more weavers within the co-operative fold and to strengthen the share capital of the societies. Under this scheme every member is eligible for a loan towards payment of initial share capital subject to a
maximum per loom of Rs.200/- for cotton, Rs.250/- for silk and woollen and Rs.500/- for polyester.

**Assistance for Research and Technology:**

Financial assistance is given under this scheme, for purchasing of various machines and tools to promote the quality and design of the cloth and to reduce the cost of production. Societies are provided financial assistance, to install dye-house, finishing and calendering machines and pattern-making factories.

**Rebate Scheme:**

Rebate is a reduction in the selling price allowed to the consumers. Rebate is granted by the Government since 1954 to the handloom goods purchased from the weavers' co-operative societies to promote the sale of handlooms clothes. The Government of India have come forward to provide a special rebate of 20% for a period of 30 days to be shared on a matching basis by the State Government and Central Government. Apart from this, the State Government allowed a rebate of 10 percent of the value of the sale of handloom clothes for occasions like the All India Handloom fortnight, Deepavali and other festivals.
Marketing and Publicity:

Under this scheme the Government allots finance to TNHWCS and primary weavers' Co-Operative Societies for the setting up of sales depots and emporia. The TNHWCS makes advertisement in the newspapers and magazines. It organises handloom exhibitions and provides opportunities for participation in trade fairs and exhibitions to the weavers' co-operative societies.

Subsidy to Managerial Staff:

To meet the expenses of managerial staff, subsidies are allowed to the financially weaker societies for the first four years on a sliding scale. Workshed-cum-Housing scheme and contributory Thrift Fund Scheme are also in operation.

Organisation of Handloom Industry in Tiruchy District:

The handloom industry is concentrated in the Karur Taluk of Tiruchirapalli District. In the villages of Vengamedu, Sengunthapuram and Ramakrishnapuram, nearly 50,000 people are depending upon this industry for their livelihood. Most of them are working under Master Weavers and Co-operative Societies for daily wages.

*Source: Handloom Weavers' Association, Karur.*
Karur is famous for its high-class handloom products such as bed spreads, bedsheets, (both ordinary as well as the Jacquard types) table cloths, curtains, pillow-covers, furnishing rolls, both plains as well as honey-combs, towels of normal as well as jacquard types. Most of the looms are engaged in the production of matty and casements, next to bed-sheets. Besides, they produce fancy towels, curtain cloths, table cloths, bed-spreads in several attractive designs, jacquard pieces, fast colour bedsheets, korvai bedsheets, napkins, handkerchiefs of different patterns and sizes. Bar mats, tea-mats, sofa cloths, kitchen cloth, heavy casements, canvas, terri towels, jacquard terry towels, seersucker meant for making blouses and skirts and brushed shirtings. Karur products have found markets in many parts of the world.

For instance, the furnishing fabrics made out of waste cotton found market in the U.S.A., and Canada. Likewise the cotton furnishing fabrics made out of coarser counts of yarn with art silk embellishment are popular in the West European countries including Nordic Countries. Other goods which are usually exported are terry weave towels, honey comb, and herringbone.

Regarding the speciality of handloom products of Karur, today around 15 percent of the output of the handloom sector sent abroad to meet the demand of fashion is from Karur.
It is learnt through the weavers that items like the casement, curtain cloth, table cloth are exported to U.S.A., Germany, Canada and others, though Karur is specialised in bedsheets.

The handloom industry of Karur can be broadly classified into the following categories.

* looms in the co-operative fold
* government run industrial looms
* looms under master weavers
* looms of private operators.

Of this, about 25 percent of the looms belong to the Co-operative Sector and Industrial Sector and about 75 percent of the looms are with the Master Weavers and Private Weavers. The weavers of the co-operative fold are of two types; viz. (i) those weavers who are employed by the co-operative management and work for wages for certain units of production and (ii) those weavers who are members of the co-operative society get their yarn from the society, weave them into cloth or any other product specified by the society for a pre-agreed price.

Though there is not much difference between Weavers working for Master Weavers and Co-operative Societies, the latter get more wages than the former.

Raw material supply:

Cotton yarn is the main raw material. It is available in
the Karur town itself and nearby places like Thanthoni Union, Onthampatti, Malaikovilur, Vadivel Nagar and Vengalpalayam. There are other co-operative spinning mills at Sengunthapuram and Thonthonimalai. Those looms at Karur are able to get only coarse variety of yarn at Karur. For finer varieties they have to depend upon Coimbatore, Tirupur, Pudukkottai, Ettayapuram and Bombay textile manufacturers or yarn merchants, and fabric shop-keepers in and around Karur.

Besides yarn, other materials such as bleaching liquor, dye chemicals, fasteners, plenty of soft-water are also required. These are supplied either by the master-weavers or by the co-operative societies or through the 185 textile manufacturers of yarn merchants and fabric shop-keepers in and around Karur Town.

The master weaver may not be an actual weaver himself. He supplies the weaver with raw materials and takes back the woven cloth at pre-agreed rates of wages. The weavers work on their own looms in their houses. The master weavers are wealthy persons who take the risk of business. They fetch the orders from the textile traders or agents and ask the independent weavers to prepare the required size and quality of cloth within a stipulated time.
They hardly incur any expenditure on fixed capital. They hire weavers with their looms but pay them only for their labour. The specialised master weavers are few and such agencies as cloth dealers, yarn merchants, professional money-lenders and commission agents act as master weavers.

Such an organisational pattern that separates responsibility for production from that for sale between weavers and their buyers (co-operatives or master weavers) and elaborate government programmes to support the industry with subsidies, finance, market, sales promotion and protection from mills, have helped the industry to make progress and promote the welfare of the weavers. Yet, sickness is not uncommon. Why?

Causes of Sickness:

In the first place as Gadgil and Gadgil\textsuperscript{10} show, the weak production base of the handloom industry makes it sick. The handloom cloth reaches the hands of the consumers at a higher price, inspite of heavy subsidy because it has to pass through a long chain of intermediaries. So, most of the times the handloom goods get stagnated. Until further demand, the handloom workers will have to remain out of employment. Nowadays high cost is due to the frequent rise in price of yarn as well as other raw materials such as dye.

Further handlooms are beset with the keen competition from powerlooms and mills. The powerlooms and mills are able to produce large quantities of goods not only quickly but also cheaply and attractively. Besides, the artificial silk and the dip and dry varieties lure the people and hence the demand for the handloom goods naturally falls.

One of the important causes for the sickness of the handloom industries is that their cost of production per unit of cloth is several times higher than that of the powerlooms or mill sector. Naturally people go in for the cheap and lustrous cloth of the latter rather than the costly rough and rugged products of handlooms. This leads to fall in demand for the handloom products and the industry becomes sick.

Likewise, the wages in handlooms are higher when compared to mills and powerlooms, making the industry remain sick. With regards to cotton fabrics produced in handlooms, the cost would be higher by about five percent on the average. With regard to blends the handloom fabrics processed in private process houses would be costlier by about three percent as compared to mill fabrics.
The grey handloom fabrics would be costlier as compared to powerloom fabrics by more than 2 percent inspite of a higher yarn cost for powerloom sector. This is due to very low labour productivity in handlooms, hardly one tenth of that in powerloom. Therefore the remedy is to reduce the cost of production of handloom cloths by either improving the productivity of labour or by subsidising the sale price with rebates. In this way the handloom sector can compete with mills and powerlooms. Government policies and programmes can aim at both improvement in productivity and offer of rebate. In addition, there should be distinct efforts for promotion of sales.

Following are some of the promotional methods adopted by government to improve the Handloom factory:

a. Bringing 80 percent of the handloom industries in Tamil Nadu under Co-operative sector by providing financial assistance to the weavers.

b. Providing financial and marketing assistance to the primary weavers and Co-operative societies.

c. Supplying the essential raw materials like yarn and dyes and chemicals at a reasonable price.
d. Greater emphasis is placed on the modernisation of looms and provision of technological and other inputs for improving productivity of handlooms and the quality and finish of handloom products.

e. Promotion of export of handloom fabrics.

f. Implementing welfare schemes like weavers savings and security scheme.

g. Motivation for taking up the production of non-traditional items like polyester and polyester blended mixed fabrics.

h. The National Handloom Development Corporation is assigned the vital task of strengthening the infra-structure for procurement.

Social Significance:

The handloom industry of Karur taluk plays a vital role in the economy of Karur taluk. Besides getting a good income from other States, it also earns sufficient foreign exchange from nearly 120 small and big countries of the world. The United States of America, Western Europe, Australia and Japan are the main customers. In terms of its real value, on an average, every year, Karur earns to the exchequer of Indian treasury as much as ₹100 million.

*Source: Information collected from Handloom Weavers’ Association, Karur.*
Besides, the handloom industry provides employment opportunity to nearly seven per cent of the total working population in Karur taluk directly and three per cent of the total working population indirectly. About 50,000 people, men, women and children, are engaged in this basic sector. In addition to this, the industry employs workers to perform other duties such as dyeing, winding, warping, sizing, weaving and finally, marketing. The economic benefits of handloom industries reach not only the locals and the workers hailing from nearby villages but also people in far off places. The industry has also led to the development of commerce, trade, banking and communication to a large extent and to this extent it has created vast employment opportunities. Karur which was once a mere agricultural area has become a thriving industrial area thanks to the development of the textile industry and its multiplier effect. To cater to the needs of the weavers at Karur, banks, finance companies and chit funds have come up and they helped other economic activities in turn. Thus the development of the textile industry in Karur taluk has ushered in a cumulative growth process of the region.
To sustain the process and to draw its benefit to the people in general and to the handloom weavers in particular, it is therefore necessary to study the problems and future prospects of the handloom industry. This study is an attempt with that aim and to suggest on the basis of the results of the study, specific measures to keep the industry on the growth path.